[*English*]

Impact of Devaluation on Balance of Payment Position

2663. PROF. UMMAREDDY VENKATESWARLU: Will the Minister of FINANCE be please to state:

(a) the extent to which the results anticipated by the devaluation of rupee have been achieved;

(b) whether the balance of payments position has improved; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (c). The adjustments in the exchange rate of rupee in terms of the major currencies of the world were effected in two-stages on the 1st and 3rd July, 1991 as part of a package of policies aimed at restoring confidence and enhancing the international competitiveness of Indian exports. The total impact of the exchange rate adjustment and the introduction of Eximscreps is to improve the competitiveness of India's exports. Besides, several structural reforms in the spheres of industry and trade coupled with a strickt monetary and fiscal discipline are expected to dampen inflationary pressures, to increase efficiency and productivity and impart dynamism to the growth process and thereby provide a solid foundation for higher exports and over all growth. Movements in the foreign exchange reserves of the RBI are a summary indicator of a country's balance of payments position and reflect the net result of transactions in the external sector. These have shown improvement in recent weeks. Foreign exchange reserves (excluding Gold & SDR) stood at Rs. 6964.81 crores as on 29th November 1991 and showed an increase of Rs. 2576.71 crores over the end March 1991 level.

Border Trade with China

2664. SHRI JANARDAN MISRA:
SHRI RAMASHRAY PRASAD SINGH:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have decided to start border trade with China;

(b) if so, whether any high level discussions have been held in this regard;

(c) if so, the outcome thereof;

(d) if not, the time by which the discussions are proposed to be held; and

(e) the areas in which trade activities are likely to be increased and the terms and conditions thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) The proposal to resume border trade is under consideration.

(b) and (c) A three member Chinese delegation from Ministry of Foreign Economic Relations and Trade, Beijing visited India during October 5-10, 1991. Views were exchanged regarding the resumption of border trade.

(d) Does not arise.

(e) As in (a) above.

Notices issued by Income Tax Department in Thane City

2665. SHRI YASHWANTRAO PATIL: Will the Minister of FINANCE be pleased to state: